LEGISLATIVE, FINANCE, AND ADMINISTRATION COMMITTEE

The Legislative, Finance, and Administration Committee meeting was held on August 11, 2014, at 6:07 p.m. with Chairman Slavin presiding. Members present were Mr. Anderson, Mr. Hare (arrived at 6:08 p.m.), Mr. Shevock, and Mr. Sudler. Members of Council present were Mr. Dixon (arrived at 6:08 p.m.), Mrs. Williams (arrived at 6:08 p.m.), Mr. Hutchison, and Council President Bonar (departed at 6:49 p.m.). Mayor Christiansen was also present (arrived at 6:08 p.m., departed at 6:36 p.m., returned at 6:40 p.m.).

AGENDA ADDITIONS/DELETIONS

Mr. Sudler moved for approval of the agenda as presented, seconded by Mr. Shevock and unanimously carried.

Proposed Financial Reforms - Compensation Policies

Mr. Slavin stated that a tentative American Federation of State, County and Municipal Employees (AFSCME) contract had been presented to City Council for their consideration. Noting that he did not want the proposed compensation policies to interfere with the process, he requested that this matter be deferred until the contract negotiations have concluded.

Mr. Slavin moved to defer the discussion regarding the Proposed Financial Reforms - Compensation Policies, seconded by Mr. Anderson and unanimously carried.

Automatic Escalator for Building-Related Permit Fees *(Request of Councilman Anderson)*

Mr. Anderson reminded members that there have been recent discussions regarding increasing building permit fees and suggested that staff be directed to consider implementing a COLA every two (2) years. He explained his desire to look forward rather than backwards and his concerns with massive "catch ups" and their effect on the local economy and economic development. Rather than considering such increases whenever presented, he requested that staff look into the feasibility of making such adjustments every couple of years in accordance with the Consumer Price Index (CPI).

Mrs. Townshend reminded members that the business license fees were presented in 2010 with a proposal to institute an annual (or bi-annual) escalator. At that time, City Council chose to approve only a one-time increase. She indicated that the business community expressed much concern regarding the proposal for an automatic increase in the business license fees. Mrs. Townshend advised members that, due to the manner in which building permits are issued, there is already somewhat of an automatic escalator since the value of the permit is based on the value of the construction; therefore, by virtue of prices increasing, which affects the construction value, she stated that it would result in an increase in the permit fees.

Mrs. Townshend advised members that she spoke with the business community regarding the possibility of adjusting the City's plumbing, mechanical, and sign permits to be valued the same way as building permits. For those types of permits, the fees would be tied to the costs of construction rather than the CPI. Regarding business licenses, she stated that it has always been a point of contention for the business community.

Mr. Anderson moved to recommend that an automatic escalator for building-related permit fees be referred to staff with their full ability to revise in its entirety to develop recommendations based upon its intent. The motion was seconded by Mr. Sudler and unanimously carried.

Responding to Mrs. Townshend, Mr. Anderson stated that although there is no rush for its completion, he would expect a recommendation to be presented for consideration by the current City Council.

Proposed Ordinance - #2014-19 Amending Chapter 98 - Streets, Sidewalks, Storm Sewers and Other Public Places, Article I - In General, Section 98-5 - Duty of Tenants or Owners to Maintain Sidewalks and Landscaped Areas Within the Street Right-of-Way and Appendix F - Fees and Fines

Members were provided Proposed Ordinance - #2014-19 Amending Chapter 98 - Streets, Sidewalks, Storm Sewers and Other Public Places, Article I - In General, Section 98-5 - Duty of Tenants or Owners to Maintain Sidewalks and Landscaped Areas Within the Street Right-of-Way and Appendix F - Fees and Fines of the Dover Code.

Mrs. Ann Marie Townshend advised members that the proposed amendment would prohibit the blowing, sweeping or otherwise discharging of grass clippings to streets, sidewalks, storm drains, and water courses. She stated that in a recent Notice of Violation from DNREC regarding the City's Municipal Separate Storm Sewer System (MS4), the City was cited for grass clippings discharged to the street in the area surrounding the Wesley College fields. She advised members that currently, there are no ordinances that prohibit such discharges. Mrs. Townshend stated that grass clippings blown or swept into the street wash into storm drains and, ultimately, into water bodies such as Silver Lake and the St. Jones River, which hamper water quality because of the added nutrients. In addition, she stated that matted grass clippings blown onto streets diminish neighborhood appearance. The proposed ordinance would assist the City in compliance with MS4 requirements and provide an additional tool in the improvement of our neighborhoods.

Responding to Mr. Shevock, Mrs. Townshend stated that the City Code already prohibits such items from being placed in the street more than the evening prior to trash pickup, explaining that there are certain times during the year the City requests leaves to be brought to the curb to allow the leaf vac to pick them up. She indicated that these items are currently addressed in the Solid Waste section of the Dover Code and would not be affected by the proposed amendment. Mrs. Townshend stated that the blowing of grass into the street is not currently addressed in the Dover Code.

Mrs. Townshend felt confident that if adopted, the City would take action against larger violations and not just those that may have a small amount of grass clippings.

In response to Mayor Christiansen, Mrs. Townshend stated that the manner in which the proposed ordinance is written, the responsibility lies with the tenant or owner of the property; however, she felt confident that if an individual is fined due to the actions of their contractor, they would make sure that such behavior is corrected quickly.

Mr. Slavin relayed his concern that the State Government has an employee who patrols and fines individuals who put grass clippings in the gutter and then cites the City, particularly when that department can take a substantial amount of time processing items needing to be completed. Understanding its importance, he felt that there is an opportunity to explain why individuals should not allow grass clippings into the storm drains. He suggested that the City utilize the media for a positive campaign and questioned the possibility of obtaining grant money for conducting a positive outreach campaign regarding this issue. Responding, Mrs. Townshend suggested that there may be grant monies available through DNREC.

Staff recommended that Proposed Ordinance #2014-19 be forwarded to City Council and scheduled for First Reading on August 25, 2014 and that a Public Hearing and Final Reading be set before City Council on September 8, 2014, at 7:30 p.m.

Mr. Hare moved for approval of staff's recommendation, seconded by Mr. Shevock.

Mr. Anderson relayed his objections to the proposed amendments, explaining his feeling that it would not be enforceable and that it is an overarching and overreaching of government at all levels.

The motion to approve staff's recommendation was carried with Mr. Anderson voting no.

Proposed Ordinance #2014-20 Amending Appendix B - Zoning, Article 10, Section 2 - Site Development Plan Approval

Staff submitted Proposed Ordinance #2014-20 that would amend Appendix B - Zoning, Article 10, Section 2 - Site Plan Development Approval. Mrs. Ann Marie Townshend, Director of Planning and Community Development, reminded members that on July 14, 2014, City Council adopted Ordinance #2014-08, which rewrote the commercial and office zones within the Zoning Ordinance and streamlined processes for zoning administration. One change that helped to streamline processes allows for an existing building expansion up to 15% to be reviewed administratively. In drafting the language, staff did not develop similar language for expansion of impervious cover, although that was the intent. Mrs. Townshend stated that the proposed amendment would correct this omission and allow for an increase of impervious cover up to 15% on a site to be reviewed administratively.

Mrs. Townshend stated that this oversight was discovered after a meeting was held with representatives of Playtex regarding a potential expansion. The proposed ordinance would clarify that site plans which include an increase in impervious cover of 15% and more than 5,000 square feet require Planning Commission review. Under the current language, any site plan proposing an increase of impervious cover of 5,000 square feet or greater is subject to Planning Commission review. Mrs. Townshend assured members that those site plans that include an increase of 15% would be subject to an administrative review and that, although they would not be under the realm of the Planning Commission, it would not affect any Dover Code requirements or any review and requirements of DelDOT, Kent Conservation District, etc.

Mr. Hare moved for approval of staff's recommendation, seconded by Mr. Anderson and unanimously carried.

Update - Economic Development

Mr. William Neaton, Director of Economic Development, advised members that his office, on a semi-annual basis, contacts the City's large employers to obtain details regarding their job retention, growth, and shrinkage. This contact is also done in an effort to maintain contact with them to determine if the City could assist in retaining and/or increasing jobs. He explained that, for economic development, job retention is as important as locating a new employer to bring new jobs. Mr. Neaton reviewed the semi-annual report of employment statistics on the City's top employers since July 2013, including December 2013 and July 2014, which he stated was provided to the Parks, Recreation, and Community Enhancement Committee earlier in the day.

Mr. Neaton noted that Bayhealth continues to maintain growth both financially and with employees. He advised members that Bayhealth is currently expanding by building a fourth floor on the existing hospital and that the design of the building allows for Bayhealth to expand to ten (10) stories. Mr. Neaton noted that the third floor that has been serving as a shell space will be used for services and house 36 new beds. He noted that Bayhealth also plans to expand their facility in Milford by eliminating the existing hospital and build in its place a vertical hospital. Construction is anticipated to begin in 2015.

Mr. Neaton advised members that Energizer recently announced that they are closing their plant in Montreal Canada, which has approximately 400 employees, and will be moving those product lines to Dover. He stated that this move will provide approximately 225 - 250 jobs over the next few years. Mr. Neaton stated that Staff has been meeting with representatives of Energizer, as well as the Delaware Economic Development Office, DelDOT, and Kent Conservation District to help streamline this process. He stated that Energizer had planned to export some of their jobs to a plant located in another City and that he and representatives of the Delaware Economic Development Office met with the Vice-President of Energizer in an attempt to retain these jobs in Dover.

Mr. Neaton stated that he, along with the City Manager, met with representative of Kraft Foods in an effort to provide assistance regarding concerns with their electric yard and the need for new transformers.

Mr. Neaton noted that during the past several months, he has taken Congressman Carney to some of the plants in Dover such as Proctor and Gamble and Hirsh Industries. He advised members that last year, Hirsh Industries manufactured almost 1M filing cabinets. Mr. Neaton stated that Congressman Carney was in awe of the real manufacturing jobs that are in the City of Dover.

Mr. Neaton stated that Kent County hosts a Plant Manager's Meeting every two (2) months, which gives the Plant Managers the opportunity to meet on a regular basis and discuss issues and develop solutions in which the City of Dover plays an important role.

Referring to the Garrison Oak Technology Park, Mr. Neaton stated that the site serves as the host of the Garrison Energy Center, the Solar Park, and Uzin Utz. He stated that the Solar Park has been completed for several years and the Garrison Energy Center is moving at a brisk pace. Mr. Neaton noted that they are required to sell energy into the grid by next year and that they hope to be producing power in the spring. Mr. Neaton advised members that the ground breaking for Uzin Utz has taken place, they have laid the foundation for their mixing tower, and that this project is on schedule. He assured members that the City continues to move forward with the infrastructure and that he has made commitments that all infrastructure will be completed before these companies require their use. Regarding the infrastructure, Mr. Neaton indicated that the two (2) retention ponds have been completed, work on the sewer continues, and that the 16 inch gas line has been completed and is currently being tested. He felt confident that the City will have a very saleable property once the infrastructure has been completed.

Mr. Neaton advised members that the downtown area is a vital economic area for the City, noting that there are approximately 90 businesses. He reminded members that EZ Pass opened after the first of the year with 85 employees. Mr. Neaton stated that he has conversations with their Manager and has been assured that they are pleased with their new location downtown and that their parking concerns have been resolved.

Mr. Neaton stated that Family Dollar is locating on Loockerman Street and there are two (2) different restaurants considering locating in the former Loockerman Exchange sometime in the Fall.

Mr. Neaton advised members that the Farmers Market has been a roaring success and, as a result, the vendors have requested that the Market be extended to October. He credited the City's volunteer Market Manager who put in numerous hours to ensure the Market's success.

At the request of Mr. Anderson, Mr. Neaton provided an update on the empty retail spaces. Referring to the former Metro building, he stated that, based on information provided by R&R Commercial Realty, the property was recently sold or is currently under contract for purchase. He stated that there are two (2) tenants that will be utilizing the former Dover Litho building and that he has issued an incentive package for Uno's Restaurant, noting that the building is currently being remodeled and that new tenants are being actively sought. Regarding the status of the former Walmart, Mr. Neaton stated that the site plan is no longer in effect, having expired a few months prior. Mrs. Townshend indicated that it will now be necessary for them to go before the Planning Commission for the renewal of the site plan. Mr. Neaton noted that although they lost a couple of tenants last year, they are actively seeking additional tenants and that they still have the tenant that plans to build a restaurant on the pad site. He stated that the building is owned by the Onyx Group and that they are actively pursuing new tenants.

Responding to Mr. Hare, Mr. Neaton stated that incentive packages are different depending upon location. He noted that there could be abatement of taxes, and that, based on size of the renovation, square footage, and dollar amount, there could be an abatement of a portion of impact and permit fees. He assured members that all such abatements were approved by City Council.

Mr. Hare questioned what businesses indicate are necessary to remain in the City. Responding, Mr. Neaton stated that based on his discussions with the various businesses, most request that the City make it as easy as possible for them to do business, which he feels the City accomplishes by listening and responding to concerns and requests of the businesses and that the City is quick in resolving issues. Having worked with DEMEC on the Demand Response Program for different plants, Mr. Neaton stated that Hirsh Industry recently completed a survey and indicated a concern about utility rates, however, he has not been provided the results of the survey.

Referring to those companies that have elected not to locate to Dover, Mr. Neaton stated that in a recent instance, the business needed a place to do business (at the Garrison Oak Technology Park) sooner than the City could provide it. This has been the only major concern that large perspective businesses have had about coming to Dover, although he felt that utility rates have been a concern throughout the State. Mr. Neaton assured members that job training, job availability, employee availability, etc. has never been an issue for a company to locate to Dover.

Responding to Mr. Hare, Mr. Neaton stated his understanding that the City established the asking price for property at the Garrison Oak Technology Park at $35,000 per acre. Although the City Manager may have authority to approve a price reduction, any further reduction of cost would require Council's approval.

Council President Bonar noted that there is a large parcel located at the corner of State and Water Streets that has been constructed and has not been occupied. He questioned the status of the property and whether there are plans or if there are issues with the City that need to be resolved. Council President Bonar requested staff to determine what action is necessary to encourage tenants. Responding, Mr. Neaton stated that he meets with Mr. Charlie Rodriguez once each month and that, based on his discussions, he thought there was a potential tenant for that building. He assured members that he will get an answer to these questions and provide a written response.

Council President Bonar relayed appreciation for the work done by staff at the Garrison Oak Technical Park. He felt confident that there would be an additional tenant at the site within the next three (3) to six (6) months. Mr. Bonar reiterated that the City of Dover is open for business and thanked the Mayor for his work in this regard. He encouraged all economic development possible for the City and thanked Mr. Neaton for his efforts and interest in the Garrison Oak Technical Park.

Responding to Mr. Anderson, Mr. Neaton stated that there has been no further information regarding the relocation of the Greyhound Station other than, initially, they were going to move to the transit center when construction of a 3-story, 30,000 square foot building was proposed.

Mayor Christiansen thanked Council President Bonar for his comments regarding the efforts made for economic development in the City and assured members that they will continue to forge ahead to bring jobs to Dover, maintain jobs in Dover, etc. He reiterated that the City of Dover is open for business.

No further action was taken by the Committee.

Update - Certified Local Government Application

Mr. Slavin stated that prior to the meeting, he had a conversation with Mrs. Ann Marie Townshend, Director of Planning and Community Development, regarding the City's desire to be a part of the Certified Local Government Program. He stated that due to various issues, the completion of the Certified Local Government Application has been delayed and that staff has indicated that it will be completed by December 31, 2014.

Mrs. Townshend confirmed that it is staff's goal to have the application completed by December 31, 2014; however, she reminded members that there are other major projects required of staff, including the Downtown Development District Project, the Outdoor Recreation Needs Assessment, issues involving the new Dover High School, restoring Central Dover, and working with Playtex.

Mr. Slavin noted that in 2008, when the City published the Comprehensive Plan, there was a comment written indicating that the application would be completed. Since this issue has been before City Council for approximately one (1) year, he felt that staff should be able to have the application completed by December 31, 2014.

Mr. Slavin moved to recommend that staff be directed to have the application completed by December 31, 2014, seconded by Mr. Hare.

Mrs. Townshend noted that it will be necessary for City Council to prioritize projects, explaining that there is a finite amount of staff hours in any given week and that she had previously mentioned very high priority projects that absolutely must be completed this year. Therefore, she respectfully requested that City Council keep in mind that when a deadline is given, it is in context of many other deadlines put on staff.

Responding to Mr. Hare, Mrs. Townshend stated that the application will require staff to put together resumes from Historic District Commission members, response to several questions, etc., explaining that it will require a substantial amount of focus time from staff and, as such, will require an individual staff member to be assigned and dedicated to this project.

Mr. Slavin offered to provide assistance in completing this application.

Mr. Hutchison stated his understanding of the demands of staff due to there being several projects requiring completion. He agreed that City Council should set priorities and that, in fairness, members need to understand staff's dilemma and urgency for the completion of the new Dover High School and the time required of staff for having this accomplished.

Mayor Christiansen also offered to assist staff in conducting research or whatever other action may be required to have this application completed and submitted.

The motion recommending that staff be directed to have the application completed by December 31, 2014 was carried with Mr. Anderson voting no.

By unanimous consent, the meeting adjourned at 6:54 p.m.

Timothy A. Slavin
Chairman

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